## AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

## **ASSEMBLY BILL**

No. 412

## **Introduced by Assembly Member Allen**

February 15, 2013

An act to add Section 12096.4.5 to the Government Code, relating to economic development.

## LEGISLATIVE COUNSEL'S DIGEST

AB 412, as amended, Allen. International trade.

The Economic Revitalization Act establishes the Governor's Office of Business and Economic Development, also known as "GO-Biz," to, among other duties, serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth.

This bill would require the director of GO-Biz, on or before October 1, 2015, to submit a study on the potential roles of the state in global markets to the Legislature, as specified. This bill would require the study to include, among other information, recommendations for priorities of state activities and funding related to international trade and investment, and an analysis of recommendations made in a similar study published in 2007.

Existing law establishes various programs to promote international trade for California businesses.

This bill would state the intent of the Legislature to enact legislation to enhance and expand opportunities for California businesses to engage in international trade, and make legislative findings and declarations in this regard.

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Vote: majority. Appropriation: no. Fiscal committee: <del>no</del> yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 12096.4.5 is added to the Government 2 Code, to read:

- 12096.4.5. (a) On or before October 1, 2015, the director shall complete a study on the potential roles of the state in global markets.
- (b) The study shall include, but not be limited to, all of the following:
- (1) A discussion of California's economy and its relationship to global markets, including, but not limited to, identification of current and emerging trends, industries, services, and areas of comparative advantage.
- (2) An inventory and gap analysis of existing programs and services provided by local, state, federal, and private entities, that serve, or could serve, businesses in opening new foreign markets for their products, attracting foreign investment to their businesses, or generally assisting California businesses in global markets.
- (3) An assessment and gap analysis of the current and future physical and human infrastructure related to foreign trade and investment markets, and the appropriate role for state government to improve the infrastructure needs.
- (4) The results of a survey of businesses on their needs and priorities related to foreign trade and investment. The study may rely on current surveys prepared by trade organizations or academic centers dedicated to economic development, or other surveys, as appropriate.
- (5) An examination of how best to coordinate and leverage existing local, state, and federal organizations, programs, and services related to international trade and investment.
- (6) An assessment of unique opportunities and challenges in developing businesses and attracting investment along the border and in historically underserved urban and rural areas.
- (c) (1) The study shall include recommendations on policies, programs, and funding needs for the next three years, seven years, and over the long term.

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(2) Recommendations may include infrastructure improvements, workforce training needs, incentives for business or investors, and need for international trade and investment offices in relation to the international trade and investment needs of the state.

- (3) To the extent international trade and investment offices are found to be appropriate, the study may make general recommendations on the administration, oversight, and mission or missions of those kinds of offices.
- (4) The study shall recommend priorities for state activities and funding related to international trade and investment. The priorities shall be based on the assessment of current and emerging market trends, the inventory and gap analysis of programs and services, the assessment of current and future infrastructure and workforce needs, and input by the business community.
- (5) The study shall recommend an organizational structure for the state administration of international trade and investment policies, programs, and services.
- (6) The study shall include a review of a report entitled, "Toward a California Trade and Investment Strategy, Potential Roles for the State in Global Market Development" published by the Business, Transportation and Housing Agency on October 1, 2007, pursuant to the California International Trade and Investment Act of 2006 (Chapter 663 of the Statutes of 2006), and analyze whether the recommendations in that report proposed successful policies, programs, funding, priorities, and structure for state government to promote California businesses in global markets.
- (d) During the course of the study, the director shall consult with other agencies, boards, and commissions that have statutory responsibilities related to workforce development, infrastructure, business, and international trade and investment, including, but not limited to, the California Transportation Commission, the California Community Colleges, the University of California, the California State University, the Workforce Investment Board, the Employment Training Panel, and the California Energy Commission.
- 37 (e) On or before October 1, 2015, the director shall submit the 38 study to the Legislature in compliance with Section 9795. The 39 director shall also deliver a copy of the study to the chairs of the 40 Assembly Committee on Jobs, Economic Development, and the

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Economy and the Senate Committee on Business, Professions and
Economic Development, or the successor committees with
jurisdiction over international trade and economic development
programs.

SECTION 1. (a) The Legislature finds and declares that when California businesses engage in international trade with the countries located in the Pacific Rim and around the world, the state's economy prospers through job creation and growth.

(b) It is the intent of the Legislature to enact legislation to enhance and expand opportunities for California businesses to engage in international trade.